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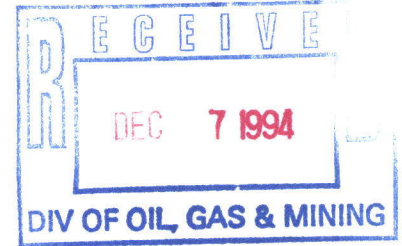
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December 7, 1994

HAND DELIVERED



D. Wayne Hedberg
Division of Oil, Gas & Mining
Department of Natural Resources
State of Utah
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Re: *Crystal Peak Substitute
Reclamation Bond*

Dear Wayne:

Enclosed for execution on behalf of the State of Utah is Letter Agreement (in triplicate), dated December 6, 1994, executed by Crystal Peak Minerals Corporation and addressed to Texas Commerce Bank National Association for the \$2,000 Investment Deposit Account No. 23-4149566 (Certificate of Deposit, pseudonym). Following execution by or on behalf of Jim Carter, please return two original signature copies to this office for transmittal to Crystal Peak Minerals Corporation and the bank. Also, please send copies directly to each of the following:

Utah State Office
Bureau of Land Management
Suite 400 Coordinated Financial Center
324 South State Street
Salt Lake City, UT 84111
Attn: Robert Lopez

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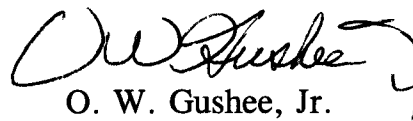
Warm Springs Resource Area
Bureau of Land Management
35 East 500 North
P.O. Box 778
Fillmore, UT 84631
Attn: Roddy Cox

The subject Letter Agreement is a substitute reclamation bond to cover remaining reclamation on the Sevier Dry Lake Project for the existing self-bond presently held by the Division of Oil, Gas and Mining ("DOGM"). It is understood that as soon as possible, DOGM intends to release Crystal Peak Minerals Corporation from the Board Contract (self-bond) under DOGM Permit No. M-027008, dated August 1, 1989, copy of which is attached for easy reference.

It would be appreciated if all of the above could be accomplished promptly. Crystal Peak's Federal potassium leases were relinquished in 1992 and the filing of a copy of the bond with the Utah State office of the Bureau of Land Management ("BLM") will trigger a Decision of the BLM accepting those relinquishments. This must be accomplished immediately in order to allow disbursement of the acceptance of the relinquishments Decision to other agencies of the Department of Interior before the end of the year in order to forestall the production of additional billings for rentals and royalties for which Crystal Peak has no liability but the issuance of same creates an annoying problem.

Your cooperation is appreciated. Please call me if you have any questions or comments. I would appreciate receiving copies of your transmittals of the bond to the agency offices described above.

Very truly yours,



O. W. Gushee, Jr.

OWG:sh
Enclosures
cc: Bob Lopez
Utah State Office of the BLM
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